



WASHINGTON STATE DEPARTMENT OF
LICENSING

Strategic Plan

2007-2009



One vision, one voice,
excellence every time.

dol.wa.gov

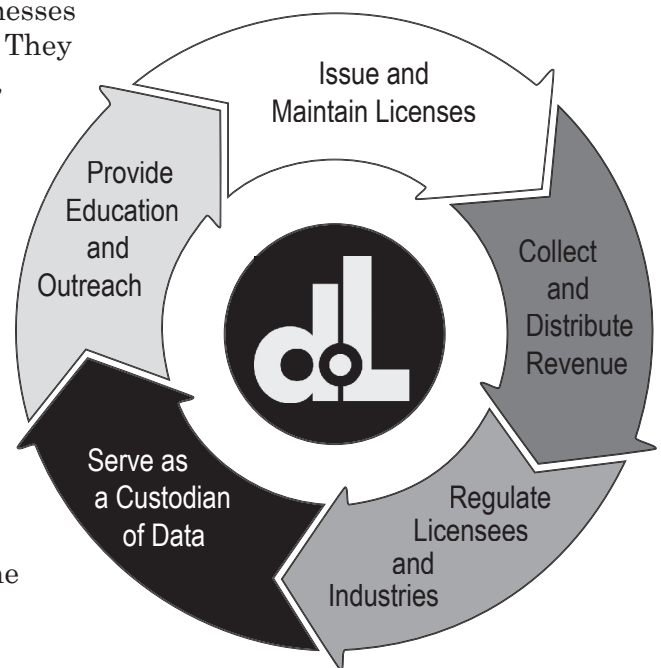
Our Mission: Great people, great service, working together for a safer Washington.

About the Department of Licensing

The Washington State Department of Licensing (DOL) touches nearly every Washington citizen, licensing 4.8 million drivers, 6.4 million vehicles, 280,000 vessels, and 210,000 professionals each year, and collecting more than \$3 billion in transportation and other revenues each biennium. The agency also is a critical resource for law enforcement.

The Department has 1,255 employees and serves customers across the state through 68 driver licensing offices, 186 vehicle licensing offices (the majority of which are staffed by our county auditor and private business partners). The Agency also has more than 45 business licensing counters at Master Licensing Service partner offices, and offer a wide array of transactions over the Internet.

Agency customers and stakeholders are as diverse as our state. They include drivers, vehicle and boat owners, fuel transporters, the trucking industry, financial institutions, auto dealers and manufacturers, and the businesses and professions we regulate. They also include law enforcement, courts and other criminal justice organizations, county auditors and private businesses, employers, professional associations, insurance companies, schools and higher education, Canadian governmental entities, other state agencies, tribes, boards and commissions, other states, research organizations, the media, legislators, employees, and the general public.



Environmental factors impacting DOL

The **federal REAL ID Act**, signed into law in May 2005, requires all states to follow new standards for issuing and storing driver licenses and identification cards and is expected to create a significant workload. This law requires more rigorous identification processes, digitized licenses, and long-term storage of identification documents. The Department of Homeland Security also may require biometric security measures on the driver licenses, like fingerprints or retinal scans. The full workload impacts will become clear as Homeland Security announces minimum standards.

The **federal Motor Carrier Safety Improvement Act (MCSIA)**, will also affect DOL workload over the coming biennia. MCSIA, passed in 1999, establishes uniform testing and licensing standards for commercial drivers across the country to reduce large-truck crashes through strengthened record-keeping, inspections of drivers and vehicles, reviews, and sanctions.

An increase in elderly drivers will have a significant impact on DOL. Washington's **general population is expected to grow by 9 percent by 2013, while the number of individuals 65 and older will increase 21 percent** during this period. This demographic change will increase workloads at DOL and may require policy changes, such as retesting drivers, to ensure continued fitness to drive.

We expect workload impacts due to **increases in traffic infractions and collisions** that DOL posts to driver records for use by insurance companies and law enforcement. The Agency experiences a 2.3 percent average annual increase in traffic collisions, a 5 percent average annual increase in court cases for traffic infractions, and a 5.11 percent average annual increase in license reinstatements following license suspensions.

A primary factor impacting workloads in our professional licensing units is the rate at which individuals are expected to enter occupational employment as forecast by the Washington Occupational Employment Projection. The **annual growth in new entries into professions** is projected to range from a low of 0.83 percent for the engineering profession up to a 2.17 percent average increase in the cosmetology profession. DOL also is tracking interest in **adding professional licensing programs** for the tattooing, body piercing, and alarm company industries.

A **1.34 percent biennial increase in sales of light vehicles** through 2013 will result in an increased number of vehicle dealerships and potential complaints for DOL's Dealer Services Program, and increases in the issuance of titles, registration documents, and license plates. Likewise, an approximate **3.7 percent annual increase in personal income** through 2015 will likely result in increased sales of timeshares and camp resorts and, consequently, higher workload in DOL's Timeshares and Camp Resorts programs.

A **2 percent average annual increase in cremations** and a corresponding decrease in the number of burials has resulted in an increase in the inspection workload for new cremation establishments and a slight reduction in the amount of cemetery trust funds monitored by DOL.

Crime rate is a notable historical growth factor for the DOL's Firearms and Bail Bond programs for which a forecasted growth rate is not available. Additional non-forecasted growth factors for the Department's Firearms and Security Guard programs, particularly over the long-term, include acts of terror and natural disasters. These programs anticipate significant regulatory changes, based on recent stakeholder interest.

DOL VALUES

Teamwork: We are "Team DOL" — one agency with one voice. We are all in this organization together. We have accountability to each other and ourselves. Our job is to make sure that we all succeed and we don't let each other fail.

Quality: We are innovative thinking people going the extra mile to get the job done. We take pride in "getting it right" for our customers the first time. We create a high-trust, high-performance workplace where communication flows freely and ideas are not just heard but incorporated when appropriate and possible. We learn from our past, understand why decisions were made, and incorporate new ideas, innovation, and efficient business systems to carry us into the future.

Goal:

Improve public safety

We Plan to:

- reduce overall traffic fatalities by 5 percent and reduce the number of motorcycle fatalities by a total of 10.
- reduce the driving under the influence (DUI) administrative suspension dismissal rate.
- analyze the number of audit findings identifying high-risk issues that are resolved with appropriately filed corrective action plans.

Objectives and Strategies:

Reduce traffic collisions and fatalities

- Implement legislation to strengthen driver training schools
- Continue training and analysis to reduce DUI suspension dismissals
- Evaluate and implement recommendations from the Motorcycle Rider Safety Task Force

Identify drivers at risk for fatalities and serious injuries to enable DOL to target solutions

- Conduct a study to identify at-risk drivers and develop recommendations

Prevent and reduce consumer harm

- Evaluate the feasibility of creating a coordinated, agencywide system for tracking regulatory activities
- Conduct a study to identify high-risk areas for consumer protection
- Increase agency internal security to protect citizen information

Provide education and outreach

- Provide outreach to fuel distributors to prevent misuse of dyed fuel
- Conduct an analysis of the correlation between quality of driver training schools and the driver license test pass rates of their students

Improving traffic safety

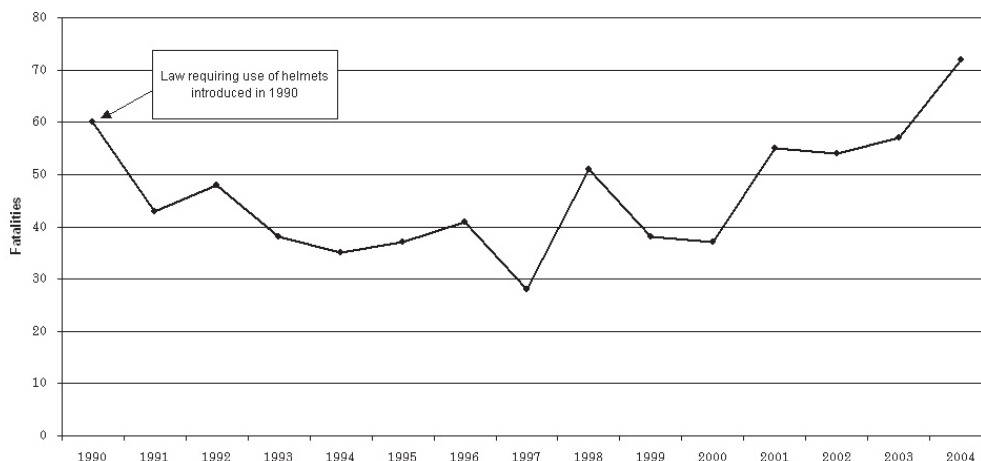
Last year, 652 people died in traffic-related collisions in Washington State. While we compare favorably to trends nationwide—45 other states have more fatalities per miles traveled—we want to improve. Research indicates that approximately 85 percent of motor vehicle crashes are caused by the driver. Identifying the at-risk drivers and their unsafe driving behaviors is key to reducing fatalities and serious injuries.

In 2006, we formed a task force to determine what factors placed drivers most at risk to be involved in a traffic fatality or serious injury. Some of the factors being examined include demographics, such as age. Data shows that elder and young drivers are at risk for being involved in a collision. As drivers age, so do medical and vision related illnesses that can contribute to collisions and roadway fatalities. In a 2006 survey, our customers' number one recommendation to improve public safety was to retest senior drivers.

The task force is also examining the role that vehicle factors play in fatalities. Research shows that between 2000 and 2004, motorcyclists were 37 times more likely than passenger car occupants to die in a traffic crash. In Washington, there were 73 fatalities from motorcycle accidents in 2004. In a partnership with other traffic-related agencies, DOL is aiming to reduce motorcyclist fatalities by 10 and help achieve a goal to reduce over-all traffic fatalities by five percent. The Department is also working to support the federal Motor Carrier Safety Improvement Act (MCSIA) to reduce the number and severity of commercial truck crashes.

The task force is examining other driving behavior factors including speeding, aggressive driving, eating, and cell phone use. Impairment due to alcohol, drugs, or other conditions and environmental factors also are being studied.

Motorcycle fatalities 1990 to 2004



DOL VALUES

Integrity: We deliver on our word and take responsibility rather than make excuses. There will be times when we make mistakes – without mistakes we can't improve. When we make mistakes, we support each other and figure out how to do things differently so the same mistakes are not repeated.

Respect: We respect every customer and every employee. Each person is important and nobody is better than anyone else. Our employees and customers are rich with experience and valuable history. We value and benefit from each other's background and diversity of knowledge and experience.

Care: We are good neighbors to each other and companions with common interests. We respect each other's differences and experiences and trust in each other's expertise. We speak positively of one another's contributions to the organization and acknowledge each other's hard work, strengths, and original ideas.

Goal:

Improve public safety

Identity Theft

Nationally, identity theft costs consumers more than \$53 billion a year. Washington State has one of the highest incidences of identity theft in the nation—only six other states have higher rates. In 2004 alone, more than 5,600 Washington citizens reported they were victims of identity theft, nearly 20 percent more than the previous year.

In 2005, DOL joined the Identity Advisory Panel sponsored by the Washington State Attorney General's Office, to develop recommendations to address identity theft in Washington. The Agency will also continue to evaluate the feasibility of implementing the Panel's recommendation to incorporate biometric data into driver license and state identification cards. DOL continues to participate on the Advisory Panel and identity theft task forces, such as public outreach, centralized victim services, increased coordination of multi-jurisdiction criminal justice initiatives. In addition, the Agency is reviewing internal processes and technology to strengthen data security and reduce the risk of potential security breaches.

Auto Theft

Washington citizens are also increasingly likely to be victims of auto theft. The Washington State Patrol reported in 2006 that stolen vehicle reports continue to rise in Washington while declining nationally. During 2004, nearly 42,000 vehicles were reported stolen, compared to 37,000 in 2003.

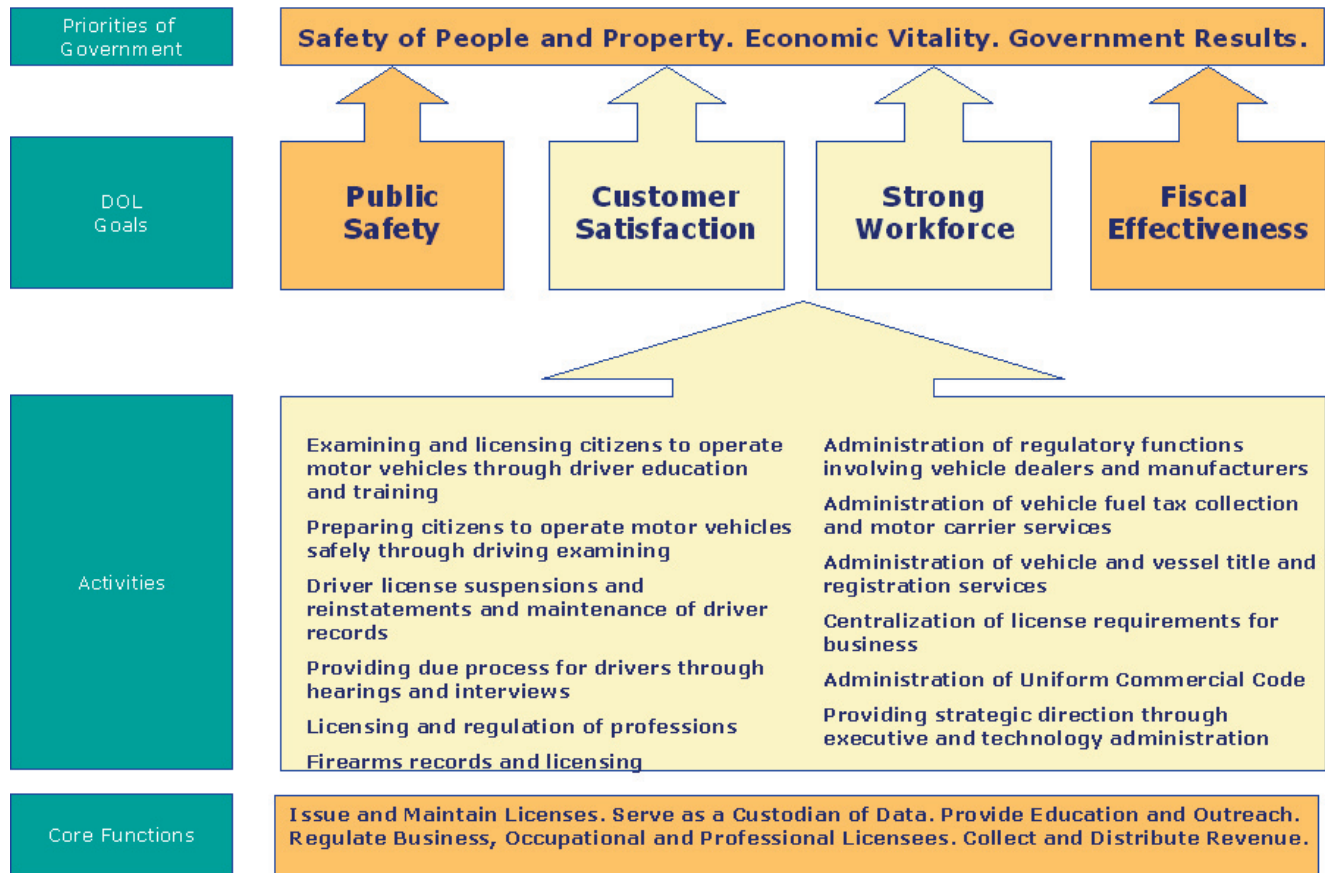
DOL plays a preventative role in reducing auto theft. Agency titling and registration activities record ownership and the histories of vehicles and vessels, helping citizens avoid purchasing vehicles that are stolen or have questionable histories. The Agency's use of a national database of title history and other vehicle information strengthens the ability to prevent the inadvertent issuance of a title to a stolen or damaged vehicle.

Consumer fraud

Citizens also fall prey to consumer fraud while purchasing services. DOL is responsible for investigating complaints against professions the Department regulates. On the top 10 list of complaints registered with the Consumer Protection Division of the Attorney General's Office in 2005 were complaints related to collections and auto sales—two of the 28 professions regulated by DOL. By licensing qualified individuals to practice, and investigating and taking disciplinary action to stop fraudulent, deceptive, or unsafe practices, DOL helps protect the public from physical injury and property loss.

Educating consumers is a key tool in preventing consumer injury. DOL is introducing an online tool to allow consumers to check the license status and disciplinary history of professional licensees.

DEPARTMENT OF LICENSING



DOL in Washington

Today, DOL's contribution to state government is not simply issuing licenses and collecting state revenue. The Agency also is involved in business simplification and engagement with partner agencies in significant policy initiatives to keep citizens safe.

DOL also plays a major role in protecting citizens from consumer fraud related to identity theft, auto theft, fuel tax evasion and fraud that occurs while conducting business with Washington professions, such as collection agencies, vehicle dealers, real estate agents, or any of the other professions regulated by the Agency.

Goal:

Provide quality customer service

We plan to:

- increase our customer satisfaction rating.
- increase the number of businesses obtaining multiple licenses with a single application.
- increase the percentage of transactions that are processed over the Internet and the usability of our website so users can quickly find the information they need.
- improve our customer service turnaround times so our customers get the information they need the first time and train 100 percent of staff in “Plain Talk” so customers understand the information they receive.
- increase the number of contacts and fuel tax agreements negotiated or amended with Tribes while decreasing the number of tribal fuel tax cases being litigated.

Objectives and Strategies:

Streamline services for business

- Participate in the Governor’s initiative to create a single portal for businesses to meet licensing requirements

Reengineer processes to improve efficiency and effectiveness

- Establish standards for turnaround times of key business processes
- Expand the use of document imaging systems
- Begin using scanning systems in field operations

Establish a client-centered database

- Conduct a feasibility study on improvements to Vehicles and Drivers systems
- Complete our transition to a modern computer environment by migrating off the last mainframe system in DOL

Exceed customer service expectations

- Establish a new customer satisfaction benchmark after changes to the agency survey are implemented
- Begin accepting debit/credit cards at service counters

Develop a comprehensive web strategy

- Develop a “web strategy” to coordinate, prioritize, and improve online services, including:
 - analysis of cost (credit card fees, Safe Harbor, etc.).
 - “look and feel,” usage, and marketing.
 - new applications.

Improve communications to customers

- Leverage agency channels to send enterprise-wide messages

Increased communication and cooperation with Tribes

- Designate a senior management level employee as a “Tribal Liaison”
- Coordinate with other state agencies that work with Tribes to ensure a consistent message and approach with regards to taxation within Indian Country is developed
- Establish a line of communications with appropriate individuals within each Tribe and regularly “check in” with them

How are we doing in customer satisfaction?

Almost all Washington citizens have contact with the Department of Licensing at milestone points in their lives. Because DOL is the “face of government,” it is important that the agency provides exceptional customer service.

Today, speed in issuing a driver license is one of our strengths. The average wait in our driver licensing offices is 11 minutes statewide. And the percentage of our customers who call and get busy signals has been slashed from 76 percent just three years ago to 4 percent today.

Our citizens enjoy Internet service options

From surveying customers, we know that speed, convenience, courtesy, and accuracy of service are the things that matter most. Enabling customers to do business with us over the Internet helps us meet these expectations. In 2005, about 40 percent of our customers said they prefer Internet services. DOL first started offering Internet service options in 2000 and now our citizens can complete more than 100 transactions with DOL over the Internet, including the renewal or replacement of a driver license, renewing license tabs, and completing a master business application.

DOL also is a major contributor to the Governor’s initiative to simplify and streamline business regulations. In 2006, DOL joined many other state agencies and the business community to develop a Web portal with convenient access to business licensing requirements. The portal will provide one-stop access to all the information needed to comply with state and local regulations. For customers, this will increase access to state and local government services, help simplify business licensing processes, and save them time, money, and effort.

DOL’s work includes:

- Testing and certifying skills
- License credentials
- Providing ownership documents
- Collecting revenue
- Collecting information
- Maintaining records
- Answering questions
- Informing and educating the public and stakeholders
- Regulating access to information
- Investigating complaints
- Auditing and inspecting regulated businesses
- Providing due process for disciplinary actions
- Disciplining licensees
- Forming partnerships with other agencies or entities
- Supporting other agencies’ missions

Goal:

Strengthen fiscal effectiveness

We plan to:

- manage agency biennial budget variance to no more than 1 percent.
- improve stakeholders satisfaction with the quality of agency data.
- reduce the turnaround time required for information requests.

Objectives and Strategies:

Leverage fiscal resources

- Participate in Department of General Administration's statewide Smart Buy initiative
- Provide detailed monthly budget analyses at the unit level throughout the Agency and reduce biennial variance between allotments and expenditures and workload forecasts and actuals.
- Develop a model to identify and establish benchmarks for the cost per unit of agency products.

Continue to evaluate business practices to ensure economy, efficiency, and effectiveness

- Establish an ongoing process to identify and prioritize information technology system fixes that will solve program inefficiencies, noncompliance, or poor quality customer service
- Implement cost/benefit analyses of key business processes
- Conduct an analysis to determine facilities needs

Improve the accessibility, consistency, and reliability of data provided to stakeholders and to the public

- Develop a plan for implementing "Business Intelligence"
- Establish a process for delivering information with "one voice" to stakeholders



Funding for State Roads

DOL partners with multiple state, local, tribal, and private entities to collect over \$3 billion per biennium in fees and taxes on fuel and vehicle related services. More than 85 percent of state funding for Washington's transportation typically comes from revenue DOL collects on behalf of the state. DOL works closely with partner agencies, like the Office of Financial Management (OFM) and Department of Transportation (DOT), to share information on projected revenue to support state projections and forecasts. Our partnership with DOT enables the Agency to plan future roads construction in Washington. In the coming biennium, DOL will implement improvements to further strengthen our revenue forecasts.

Funds are used not only to improve the state's roads and highways, but also to fund K-12 education, support law enforcement, and a myriad of other activities.

Reducing costs; Leveraging resources

DOL is focusing on re-engineering administrative processes to improve efficiency and effectiveness and reduce costs. "Smart Buy" initiatives include closing the Agency's reproduction office and transitioning all printing needs to the State Printer. The closure of this office will save the Agency \$140,000 during the 2005-07 biennium. In 2006, DOL moved all mail courier services to Consolidated Mail Services, allowing the Agency to redeploy one FTE to the call center to improve front line customer service and eliminate a van, which was used internally to courier mail between Olympia offices.

In the coming biennia, the Agency will also implement a Customer Inventory Management process from Central Stores in all Olympia offices to have more consistency and control over frequently used office supplies. Storage and distribution of the majority of printed materials will shift from an agency supply warehouse to the State Printer warehouse, to free up needed warehouse space and streamline the distribution of printed materials to all of our offices. This move has already allowed DOL to eliminate a management position in the supply office.

The Agency will also be examining ways to maximize facilities usage for staff at headquarters as well as the 68 driver licensing offices across the state. Currently, existing headquarters space is overutilized. As our staffing needs expand over the next biennium, we will not have the space necessary to house our staff. For the 2007-09 biennium, workload models show DOL will be short 25,000 square feet at headquarters alone.

Goal:

Build a strong workforce together

We plan to:

- improve employee satisfaction ratings for:
 - recognition for a job well done.
 - opportunity for staff input.
 - meaningful performance evaluations.
 - understanding how the agency measures success.
- increase the Agency Self-Assessment score.
- increase employee awareness of business resumption and emergency management plans.

Objectives and Strategies:

Improve quality of the workplace

- Communicate strategic plan
- Develop and communicate means to measure Agency success
- Strengthen leaders' skills in coaching, involving, and recognizing staff

Ensure adequate workforce capacity to achieve agency goals

- Conduct a study to identify highest priorities for succession planning
- Establish standardized skill sets for auditors, investigators, and inspectors across divisions

Promote safety, health, and preparedness for our employees, customers, and communities

- Conduct business resumption planning
- Develop benchmark information to measure workers compensation costs
- Develop a process to identify and address safety issues in the workplace



Readiness of Our Workforce

DOL employs more than 1,200 staff. Investments in Internet services and process improvements enabled DOL to increase productivity without increasing our overall workforce even as the Agency's workload has grown due to steady increases in the number of vehicles, drivers, businesses, and regulated professions.

In the coming biennia, DOL will continue reorganizing and reengineering our business to increase productivity. However, even with continued gains in efficiency, projected workload growth through 2013 will require a 16 percent increase in staffing.

As the Agency faces the need for additional resources, a significant number of staff will retire. About 32 percent—over 390 employees—of DOL's workforce is eligible to retire in 2007. By 2013, that number is expected to double. Retirements through 2013 could result in a "brain drain" and ever-increasing workloads for remaining staff.

Because not everyone who is eligible to retire will leave the Agency, DOL expects that actual retirements in 2007 to be closer to 11 percent – more than 100 employees. The increase in the number of DOL staff who continues to work after they are eligible to retire mirrors national trends. Many workers – DOL and elsewhere – are postponing retirement due to rising health care costs, decreasing retirement income, and the raising of the eligibility age for maximum retirement benefits to age 65.

We are currently analyzing our highest priorities for succession planning. The results from this analysis will help the Agency to build capacity and replace lost expertise while ongoing reengineering will help reduce workloads.

Employee Satisfaction

Employee satisfaction in DOL is good. In the 2006 statewide survey administered by the Department of Personnel (DOP), 85 percent of DOL employees participated. The average employee satisfaction rating is 3.85 out of a possible 5.0 points. While it is difficult to accurately assess the amount of improvement over historical performance due to changes in the survey tool, areas identified as strong and those needing improvement are similar to previous years. Results from both the employee survey and the 2007 Agency Self-Assessment show DOL performing well in keeping a customer focus and needing to strengthen methods to recognize and involve staff, communicate agency strategic direction, and measure performance.

DOL has reorganized several units to strengthen the ability to act as an enterprise rather than as separate divisions. These units include:

Budget

Historically, DOL had a decentralized budget process. In 2006, the Agency began centralizing budget activities into a single budget office and eliminated a management position. This enables DOL to work from an overall agency perspective and allocate resources to support strategic plan priorities.

Research and Planning

In 2006, the Agency's economic analysis and division staff consultants were consolidated into a research and planning office. This move will help DOL analyze and manage data better. This data is shared with the Governor's office, the Legislature, and stakeholders.

Contracts Management

DOL manages more than 2,400 contracts. In the past, contract administration was decentralized. During 2006, all contract activities were consolidated into a single unit. This effort has brought much greater consistency to contract processes.